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SOCIAL DUTIES

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CHAPTER XI. MUNICIPAL DUTIES: WEALTH INTERESTS

The supply of the material means of existence and of culture is fundamental, and social morality is here put to the most severe tests.

1. There are certain old-fashioned industrial virtues which have been taught from ancient times by sages and moralists and which never in this world will be obsolete—the duty of useful work and of thrift. The idler and the spendthrift have always been recognized as pests. We do not wish to diminish respect and zeal for these very respectable virtues; but they are already honored sufficiently, at least with lip service and pen service, enforced by cold and hunger, and we are now occupied with duties which demand social organization of modern types and full co-operation of great communities. All pulpits and Sunday-school leaflets reiterate millions of times the duty of labor and saving, but they have hardly begun as yet to teach the nature of moral obligations which arise out of recent organizations of urban enterprises.

2. In the case of common wealth in cities it is not necessary to have actual ownership of desirable objects of certain kinds in order to enjoy them. Numerous examples may be cited. Thus all men walk on public pavements or ride on streets which are not controlled by any particular person. The rapidly extending areas devoted to parks are better than private grounds fenced in and burdened with interest and taxes. In each school district is a public building with its grounds owned and kept in good condition by the city, while teachers and janitors serve rich and poor alike. The city hall, the courts of justice, the public library, are common wealth; they are not ostentatious marks of selfish distinction which set apart a rich person from his kind and awaken envy, but they minister to the needs of all.

Men complain that taxation becomes heavier every decade, and

this is true. It is unfortunate when the money thus collected is stolen by "grafters" or squandered by inefficient officials. But such waste is not necessary and will not occur when more men and women apply their consciences and intelligence to the accounts of municipal officers. But in spite of abuses urban communities are acquiring enormous amounts of this community wealth.

There is much common wealth which is nominally owned by private associations but actually used by the public. Thus millions of dollars are pouring into the endowments of universities, colleges, art museums, scientific museums, libraries, orchestra halls, music halls, settlements, old people's homes, day nurseries, summer vacation colonies and camps for city children and their weary mothers, hospitals and asylums of all kinds.

Property held by churches is usually freely open to the public and its ministries are given without price to those who cannot or will not pay for them, although some of them are too much like private clubs of pew-holders who desire to travel to heaven in private cars. More than all other buildings, a church should be treated as common property, and it is freed from taxation on this ground. A church whose doors are not open freely and frequently is morally bound to pay taxes; and in addition, to be honest, it should cease to pretend to be a Christian church; it uses the name of Christ in vain; it is lying.

Thus in many ways our cities are coming rapidly into possession of a vast amount of material wealth which is at the service of all citizens, rich and poor. The tendency to increase this desirable social possession may be promoted by teaching rich men that investment in goods accessible to all is morally better than what they spend in personal luxury; and this lesson may properly be enforced by taxation on the basis of personal expenditures. It is true that the power to tax may be abused, may so burden and cripple industry as to reduce the sum of wealth annually produced. The rich man who invests his money in business and directs useful production is serving his country as truly as when he gives liberally to libraries, colleges, and museums of art. The annual appropriation of private income for public uses has strict limits, and this is expressed in the old adage that it is poor policy to "kill the goose which lays golden eggs."

Taxation on the visible and ostentatious expenditures of wealthy persons would not discourage production so much as our present methods of taxation. Mr. Andrew Carnegie recommends a rather steep inheritance tax and enforces his view with the hint that a city or state should not hinder the bees while they are at work but take a good share of the honey when the hive is full.

3. Taxation is the method by which private property is devoted to immediate or permanent social uses.¹ We have elsewhere shown that present methods of taxation in cities are a direct incentive to fraud, inequality of burdens, and injustice. Radical reformation is called for by social ethics.

4. The care of health is an economic duty. The vigor, efficiency, and productive power of the working people depend primarily on their freedom from disease and the favorable physical conditions of home, street, shop, and work-place. These favorable conditions cannot be secured without intelligent city government supported by the public will instructed in the laws of hygiene. Here we see and appreciate the vital connection of health and economic welfare with the courses of study in public schools, night schools, and popular lecture courses. We may cite a few sentences in illustration from the "Public Health Catechism" of the American Health League:²

Because of the deplorable ignorance and indifference of the general public on health problems, which permits the ravages of preventable disease and the misery arising from unhygienic methods of living, protection is necessary. . . . It has been estimated that the waste from sickness and death amounts in dollars alone to more than \$3,000,000,000 annually, of which a large amount—over one billion dollars—is undoubtedly preventable.

Several diseases have either been extinguished or reduced to small proportions: as leprosy, by isolating patients; small-pox, by vaccination; scurvy, by supplying sailors with lime juice; yellow fever, by quarantine; diphtheria, by antitoxin; typhoid fever, by public water filters and other means; tuberculosis, by sanatoria, anti-spitting ordinances, and education of the public. The statistics of mortality show progress through science and general education and improved sanitary arrangements. In London in the seventeenth century the

¹ This subject receives special discussion in another chapter.

² Other publications may be had from the office of the League, 69 Church Street, New Haven, Conn.

death rate averaged 80 per thousand, as against 24 today. In the eighteenth century the death rate in Boston was 37 per thousand as against 25 today. In New York, when Colonel Waring kept the streets clean in 1896, the death rate was $21\frac{1}{2}$; in the previous decade it averaged 25, the minimum being 23. Since 1896 it has risen. The introduction of a water filter in the town of Lawrence, Mass., in 1893, was followed by a reduction in deaths from typhoid to one-sixth the previous number. The death rate from tuberculosis has been reduced in fifteen years to less than two-thirds its former amount in many localities.

The same catechism shows that much remains to be done. Tuberculosis could be exterminated in a comparatively short time if the public could be prevented from spitting out infection, and induced to live and sleep with proper ventilation. Trichinotic and ptomaine poisoning could be escaped by avoiding the use of diseased meat from our slaughter-houses. Typhoid fever could practically be abolished by improving our milk and water supplies and the prevention of the pollution of our rivers. Alcoholism and the other evils of intemperance are avoidable by temperance; sexual diseases, by improvement in social hygiene; heart and kidney diseases, by adopting the "simple life." Experiments with nine healthy students showed that by dietetic care and mastication alone, muscular endurance could be doubled in less than half a year.

These are some of the facts which determine the duty of each city to systematize the campaign for increasing economic power through improving the knowledge and conduct of the people in regard to health.

5. Efficient and thrifty city administration. Corrupt, venal, and stupid administration takes the earnings of a hard-working population, wastes them, steals them, enriches schemers at the expense of the people, and finally gives little service for excessive expenditures. Every young man and woman of education should give all possible study and attention to the city-hall servants of the public; should try to learn what are the legal duties and powers of their elected officers and what they accomplish.³ Vague general charges do no

³ See W. H. Allen, *Efficient Democracy*, for arguments and devices. The Bureau of Municipal Research in New York City is a recent organization of private citizens, with expert accountants and lawyers for advisers, who are determined to discover and correct abuses in various departments of urban administration.

good and are very apt to be ignorant and unjust; for even as it is city officials usually render valuable service. To reward and punish with discrimination and effect we must find out and publish exactly what every form of service costs and what it accomplishes, and the precise persons who are responsible for success or failure. A false charge is met with resentment and a true charge not proved destroys the influence of the man who accuses the public officer.

6. Public utilities. Wherever there is reasonable prospect of profits private interest will find capital and organize a business.⁴ There is no necessity of setting the ponderous machinery of city government to work wherever any considerable number of persons offer money, on profitable terms, for the supply of the satisfactions they crave, whether it be houses, food, water, pictures, songs, dramas, books, temples, railways, aeroplanes, lighting, luxuries, or even vicious indulgence. Competitors can always be found, those who for mercenary motives will offer their services, no matter how degraded the office. Money will buy anything of someone; and in fact companies of men will fight, secretly or openly, buy votes, and bribe senates or courts, if possible, for the chance of catering to the lowest appetites of mankind. Therefore we might leave lucrative trades to ordinary commercial motives. But from all this we cannot conclude that the city government should always refrain from attempting to deal with the questions of supply of services and material goods.

In the first place some of the material needs of the inhabitants of cities cannot be supplied in a way which will bring profits to private contractors. For example, in every urban community sewage and garbage must be removed and dust laid or prevented; and since these processes do not offer a profit, the people must require the service of its government, although even here contractors may sometimes be employed. The motive of profit will bring organized capital into lively action, but that motive cannot be relied on to protect the public against dishonest, avaricious, and unscrupulous contractors. Hence the necessity of supervising, regulating, and controlling the firms or companies which furnish transportation, gas, water, or light to a city. In connection with its own agencies of police, fire department, public schools, and libraries a city government must transact business on a large scale, as also in the supply

⁴ T. Veblen, *Theory of Business Enterprise*.

of fuel, lights, vehicles, care of buildings and parks. City administration cannot escape financial transactions.

Many political writers and even practical men of affairs go much farther and advocate a great extension of municipal activities in connection with public utilities and monopolies. Thus there cannot conveniently and economically exist in the same territory two water companies, two gas companies, and an indefinite number of electric-lighting and telephone companies; for each will tear up the streets, hinder traffic, lay out expense for which consumers must pay, and finally annoy the public by their duplication and conflicts of systems. Since there cannot be more than one system of public utilities in the same area, that system is necessarily a monopoly, and, in the absence of competition or regulation, will charge consumers all they will endure and continue to buy the service or commodity on a profitable scale. The business motive is profits, not public service or philanthropy.

Out of this situation has arisen a controversy in Europe and America which has grown exceedingly bitter and partisan, so that even the most intelligent and honest students find it difficult to get at the facts. All we can here attempt is to open the subject and give references to works which seem worthy of consideration. As every voter is called on in some way to pass judgment on this controversy, it is his duty to make his voting power felt with as full knowledge and as sober a mind as he can command. It is evident that some forms of public utilities are more easily managed by city officials than others, because they are more simple, regular, and certain. For example, a city administration can conduct water works fairly well and yet fail in directing the more complicated machinery of street railways.

The student may exercise his moral judgment by impartially weighing the arguments for the two policies in controversy. The general considerations urged in favor of the private ownership and management of such public utilities as lighting and transportation are such as these: Public ownership and administration are more expensive, because private business managers are more alert, skilful, active, and economical than public officials, especially where, as in American cities, the officials so generally secure their places through party influences rather than by special fitness and training. The

directors of profit-seeking enterprises, having their own investments at stake, will not tolerate waste, indolence, and neglect, where public officials are frequently careless and easy-going with employees who have votes to consider. It is also claimed that the administrators of public works are slow to introduce new inventions while private managers are quick to avail themselves of the best devices. Again it is asserted that public ownership tends to introduce socialism and thus to suppress the energy and initiative of private enterprise. It is further asserted that when a city government conducts a business at a loss it can compel taxpayers to make good this loss; and this means that the losing business is partly supported at the expense of well-managed and profitable private business. Thus there is an annual deficit in the United States Postal Department, much larger than is generally known or published, since in accounts nothing is said of interest on buildings; and this deficit must be met out of the income of persons engaged in agriculture, transportation, manufactures, and other employments. It is also affirmed, with much evidence, that the accounts of municipal bureaus are often so confused and juggled that taxpayers never can find out how much the loss really is.

On the other hand, we must consider arguments in favor of enlarging the economic activities of city governments. It is asserted that the people of a city ought to be supplied with objects of universal utility, necessities of life, without dependence on monopolies, at bare cost, without paying profits to private parties. It is said that the employees of a city will be more humanely treated and better paid, will have shorter hours and less intense and exhausting labor, than if they are controlled by private corporations. It is said that we shall get better government when the cities undertake great enterprises and make it an object for capable and ambitious business men to seek the responsibilities of the public service.

If private ownership and management of public utilities is the system chosen by a city, there are certain interests which must be guarded in some legal way. In making contracts or granting franchises the city government should protect consumers from exorbitant prices and defective service, and should make regulations which will protect the employees of the companies from abuse and injury.

It must never be forgotten that public funds are not unlimited;

that there is no source of means for parks, schools, playgrounds, fine buildings, except the product of industry and business; that cost must be considered; and that the most severe sacrifices must be borne by the smaller taxpayers in the form of higher rent for houses and greater cost of food and clothing. Every common laborer pays taxes on the necessities of life, even if he does not know it, and he pays taxes just where they hurt most.

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